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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/821,610	04/09/2004	Carlos Andres Lozano		1547

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EXAMINER

MERCHANT, SHAHID R

ART UNIT	PAPER NUMBER
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3694

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/23/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	10/821,610	LOZANO, CARLOS ANDRES	
	Examiner	Art Unit	
	Shahid R. Merchant	3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 September 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) 1 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 2-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 13 September 2005 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

1. Per applicant's amendment filed on September 13, 2005, claim 1 has been canceled and claims 2-22 are pending.

Specification

2. Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited (15 lines). The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. Claims 2, 5, 7, 9, 10, 15, 16, 19 and 22 rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the original specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Claims 2, 15, 16, 19 and 22 mention the setting of rules. This concept was not discussed in the original specification. Further, debiting amounts from stored credit in claims 2, 13, 15 and 19 is not discussed anywhere in the specification. Claims 5 and 7 refer to setting maximum amount of stored credit and setting monthly minimum payment amounts, which are also not described, in the original specification. Regarding claim 22, there is no mention of a system in the specification. Claim 9 mentions a purchase at a retail establishment, which also has no mention in the specification.

5. Claims 2, 5, 6-8, 15, 16, 20 and 22 rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. It is unclear how a consumer can set rules of repayment

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(claim 2, 15, 16 and 22), set maximum amount of the stored credit that can be debited (claim 5), set interest rates (claim 6 and 20), set monthly minimum payments (claim 7 and 8). Applicant does not provide enough information in the specification. It is common practice in the art for a bank, credit union or financial institution to set credit card interest rates or finance charges, monthly minimum payments and fees.

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claim 22 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant states a system claim, however the elements making up the system cannot be considered part of a system. Applicant cites a stored credit governed by rules set by the consumer. This is a value or data of some kind, which is considered to be abstract. It is not a physical apparatus.

8. Claim 2 recites the limitation "the payment" in step (b) and "the result" in step (d). There is insufficient antecedent basis for these limitations in the claim.

9. Claims 6 and 20 recites the limitation "the interest rate" in line 2. There is insufficient antecedent basis for this limitation in the claim.

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10. Claim 7 and 8 recites the limitation "the monthly minimum payment" in lines 2-3.

There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 102

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

12. Claims 2-4, 9, 10, 13-19, 21 and 22 rejected under 35 U.S.C. 102(b) as being anticipated by The Bank Credit Card Business by American Bankers Association (see PTO-892, Ref. U). Hereinafter ABA.

13. As per claim 2, ABA teaches a method of managing a credit, comprising the steps of:

(a) establishing a stored credit on behalf of a consumer (see page 59);

(b) setting rules for repayment of amounts borrowed from the stored credit, wherein the rules for repayment include rules for at least one of the payment of interest and the payment of late fees (see page 52);

(c) obtaining a financial card, for providing access by the consumer to the stored credit (see pages 65-72);

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(d) debiting a first amount from the stored credit as the result of a financial transaction using the financial card, resulting in a remaining credit (see page 76 and Exhibit 6.9, items 2 and 3); and

(e) after step (d), paying, by the consumer, of at least one of interest and late fees on the first amount, in accordance with the rules set in step (b), wherein the at least one of interest and a late fee is added to the remaining credit to form a new stored credit available to the consumer (see pages 76, 78 and Exhibit 6.9, items 14 and 15).

14. As per claim 3, ABA teaches the method of claim 2 as described above. ABA further teaches the step (f) after step (d) and before step (e), sending a statement to the consumer for at least one of the first amount, interest or a late fee, in accordance with the rules set in step (b) (see page 76).

15. As per claim 4, ABA teaches the method of claim 3 as described above. ABA further teaches wherein, the rules set in step (b) specify billing the consumer for at least one of interest and a late fee only if the first amount is not paid in full prior to a deadline set by the rules (see pages 52, 76-77 and Exhibit 6.9, item 6).

16. As per claim 9, ABA teaches the method of claim 2 as described above. ABA further teaches wherein the first amount is debited from the stored credit in step (d) as the result of a purchase made using the financial card in a retail establishment (see page 76 and Exhibit 6.9, items 3, 11, 12 and 16).

17. As per claim 10, ABA teaches the method of claim 2 as described above. ABA further teaches wherein the paying in step (e) further includes repaying at least a portion of the first amount, and wherein the at least a portion of the first amount is additionally added to the remaining credit to form the new stored credit (see page 76).

18. As per claim 13, ABA teaches the method of claim 3 as described above. ABA further teaches (g) debiting a second amount from the remaining credit, using the financial card (see page 76, Exhibit 6.9).

19. As per claim 14, ABA teaches the method of claim 2 as described above. ABA further teaches (h) debiting a finance charge from the stored credit if the rules set in (b) are not met (see page 78).

20. As per claim 15, ABA teaches a method of managing a credit, comprising the steps of:

(a) establishing a stored credit in a financial institution on behalf of a consumer (see page 59);

(b) setting rules for repayment of amounts borrowed from the stored credit, wherein the rules for repayment include rules for at least one of the payment of interest and the payment of late fees (see page 52);

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(c) issuing a financial card, for providing access by the consumer to the stored credit (see pages 65-72);

(d) debiting a first amount from the stored credit as the result of a financial transaction using the financial card, resulting in a remaining credit (see page 76 and Exhibit 6.9, items 2 and 3);

(e) after step (d), crediting to the remaining credit, at least one of interest and late fees on the first amount, paid by the consumer, which said at least one of interest and late fees accrued in accordance with the rules set in step (b), wherein the at least one of interest and a late fee is added to the remaining credit to form a new stored credit available to the consumer (see page 76, 78 and Exhibit 6.9, items 14 and 15).

21. As per claim 16, ABA teaches the method of claim 15 as described above. ABA further teaches wherein said rules are set in step (b) by the consumer (see page 52).

22. As per claim 17, ABA teaches the method of claim 15 as described above. ABA further teaches (f) after step (d) and before step (e), sending a statement to the consumer for at least one of the first amount, interest or a late fee, in accordance with the rules set in step (b) (see page 76).

23. As per claim 18, ABA teaches the method of claim 17 as described above. ABA further teaches wherein, the rules set in step (b) specify billing the consumer for at least

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one of interest and a late fee only if the first amount is not paid in full prior to a deadline set by the rules (see pages 52, 76, 77 and Exhibit 6.9, item 6).

24. As per claim 19, ABA teaches the method of claim 15 as described above. ABA further teaches (h) debiting a finance charge from the stored credit if the rules set in (b) are not met (see page 78).

25. As per claim 21, ABA teaches the method of claim 15 as described above. ABA further teaches wherein the crediting in step (e) further includes crediting at least a portion of the first amount repaid by the consumer, and wherein the at least a portion of the first amount paid by the consumer is additionally added to the remaining credit to form the new stored credit (see page 78).

26. As per claim 22, ABA teaches the system of managing savings, comprising:
a stored credit governed by rules set by the consumer (see page 59);
a debit card providing the consumer with access to said stored credit (see page 65-72); and

a billing system for managing said stored credit according to said rules, wherein said billing system debits said stored credit in accordance with purchases made using said debit card, said billing system generating a statement detailing said debits to said stored credit and any interest or late fees due in accordance with said rules, said billing system further debiting said stored credit in the amount of said debits and crediting said

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stored credit in the amount of any repayments of debits, payments of late fees and payments of interest made by the consumer (see Exhibit 6.9).

Claim Rejections - 35 USC § 103

27. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

28. Claims 5, 11 and 12 rejected under 35 U.S.C. 103(a) as being unpatentable over The Bank Credit Card Business by American Bankers Association (see PTO-892, Ref. U) [Hereinafter ABA] in view of Orchard Credit Cards (see PTO-892, Ref. V) [Hereinafter Orchard Bank].

29. As per claim 5, ABA teaches the method of claim 2 as described above. ABA does not explicitly teach wherein, the rules set in step (b) permit the consumer to set the maximum amount the stored credit can be debited by the first amount and subsequent amounts.

Orchard Bank teaches wherein, the rules set in step (b) permit the consumer to set the maximum amount the stored credit can be debited by the first amount and subsequent amounts (see Ref. V).

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and Orchard Bank to set

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maximum credit limits that can be debited because it prevents a consumer from spending more money than what is currently on deposit in a linked savings account.

30. As per claim 11, ABA teaches the method of claim 2 as described above. ABA does not explicitly teach wherein the stored credit is a savings account in a bank, the savings account being managed in accordance with the rules set in step (b), the bank providing the financial card to the consumer.

Orchard Bank teaches wherein the stored credit is a savings account in a bank, the savings account being managed in accordance with the rules set in step (b), the bank providing the financial card to the consumer (see Ref. V).

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and Orchard Bank to link a savings account to a credit card because it prevents a consumer from spending more money than what is currently on deposit in the linked savings account.

31. As per claim 12, ABA teaches the method of claim 2 as described above. ABA teaches wherein the bank providing the financial card and statement to the consumer. ABA does not explicitly teach wherein the stored credit is stored in a savings account in a bank, the savings account being managed in accordance with the rules set in step (b).

Orchard Bank teaches wherein the stored credit is a savings account in a bank, the savings account being managed in accordance with the rules set in step (b), the bank providing the financial card to the consumer (see Ref. V).

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Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and Orchard Bank to link a savings account to a credit card and providing a statement and credit card because it allows a consumer to make financial transactions using a credit that is linked to a savings account and receive monthly statement showing the transactions.

32. Claims 6-8 and 20 rejected under 35 U.S.C. 103(a) as being unpatentable over The Bank Credit Card Business by American Bankers Association (see PTO-892, Ref. U) [Hereinafter ABA] in view of PSECU Capitol Card (see PTO-892, Ref. W) [Hereinafter PSECU].

33. As per claim 6, ABA teaches the method of claim 2 as described above. ABA does not explicitly teach wherein, the rules set in step (b) permit the consumer to set the interest rate charged on at least the first amount.

PSECU teaches wherein, the rules set in step (b) permit the consumer to set the interest rate charged on at least the first amount (see Ref W). Customer can set the interest rate at 9.9% APR for purchases or 12.9% APR for cash advances/ VISA checks.

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and PSECU to allow the consumer to choose an interest rate charged on a first amount because it allows the consumer to know the interest rate before making a transaction.

34. As per claim 7 and 8, ABA teaches the method of claim 2 as described above. ABA does not explicitly teach wherein, the rules set in step (b) permit the consumer to set the monthly minimum payment for repaying at least the first amount and wherein, the rules set in step (b) permit the consumer to set the monthly minimum payment as a percentage of the funds owed.

PSECU teaches wherein, the rules set in step (b) permit the consumer to set the monthly minimum payment for repaying at least the first amount and wherein, the rules set in step (b) permit the consumer to set the monthly minimum payment as a percentage of the funds owed (see Ref W).

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and PSECU to allow the consumer to set the monthly minimum payment based on a dollar amount or a percentage of balance owed because it allows the consumer flexibility in payments and convenience.

35. As per claim 20, ABA teaches the method of claim 15 as described above. ABA does not explicitly teach the rules set in step (b) permit the consumer to set the interest rate charged on at least the first amount.

PSECU teaches, the rules set in step (b) permit the consumer to set the interest rate charged on at least the first amount (see Ref W). Customer can set the interest

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rate at 9.9% APR for purchases or 12.9% APR for cash advances/ VISA checks (see Ref. W).

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of ABA and PSECU to allow the consumer to choose an interest rate charged on a first amount because it allows the consumer to know the interest rate before making a transaction.

Conclusion

The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

The following prior art, which is made of record but not relied upon, is considered pertinent to applicant's disclosure.

A. KNOW THE INS AND OUTS OF SECURED CREDIT CARDS:[SPORTS FINAL Edition] ASA AARONS. New York Daily News. New York, N.Y; Jul 17, 2001. p. 38.

B. BEWARE OF FEES ATTACHED TO SECURED CREDIT CARDS:[Final Edition] SHARON PATCHETT CONTRIBUTING WRITER. The Post-Standard. Syracuse, N.Y; Sep 24, 2001. p. 12.

C. BEWARE THE FINE PRINTON SECURED CREDIT CARDS:[Broward Metro Edition] ROBERT K. HEADY On Banking. South Florida Sun - Sentinel. Fort Lauderdale, Fla; Apr 16, 2001. p. 24.

D. HOW TO SHOP FOR BEST OF SECURED CREDIT CARDS:[Final Edition] SHARON PATCHETT CONTRIBUTING WRITER. The Post - Standard. Syracuse, N.Y; Dec 4, 2000. p. 12.

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E. WORTH YOUR WALLET? THE CARD: Bank of America Secured MasterCard:[MORNING Edition] EDMUND SANDERS: The Orange County Register. Orange County Register. Santa Ana, Calif; Oct 25, 1998. p. k05.

F. U.S. Patent No. 5,950,179—Buchanan et al.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Shahid R. Merchant whose telephone number is 571-270-1360. The examiner can normally be reached on First Friday Off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammel can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


ELLA COLBERT
PRIMARY EXAMINER

SRM